

Town of Wenham
Finance & Advisory Committee
Board of Selectmen
Meeting of February 19, 2014
Town Hall, 138 Main Street

Pursuant to the Open Meeting Law, M.G.L. Chapter 30 A, §§ 18-25, written notice posted by the Town Clerk delivered to all Committee/Board members, a meeting of the Finance & Advisory Committee and Board of Selectmen was held on Wednesday, February 19, 2014 at 6:30 PM in the Selectmen Chambers.
This meeting was recorded with permission by HWCAM.

Abbreviations used:

FC Finance Committee
BOS Board of Selectmen
FY Fiscal Year

Public Information:

Minutes January 22, 2014; February 12, 2014
FY15 Draft Budget
Assessors
Town Clerk
Building & Grounds Department
Iron Rail Commission
Historic District Commission
Technology
Town Administrator
Finance Department

1. Call Meeting to Order

With a quorum present, Chairman Lucy called the Finance Committee meeting to order at 6:34 PM.
Committee Members Present: Michael Lucy, Chair; Hilliard Ebling, Kevin Lech, Kathryn Mansfield, Rick Quinn.
Not Present: Jeff Fotta
With a quorum present, Chairman Whittaker called the BOS meeting to order at 6:34 PM.
Selectmen Present: Selectmen Ken Whittaker, Chair; Patrick Wilson, Vice Chair; Jack Wilhelm, Clerk
Also Present: Mark Andrews, Town Administrator; David Genereux, Finance Director; Catherine Tinsley, Minutes Secretary

2. Minutes - 1.22.14 & 2.12.14

Vote: Ms. Mansfield moved, and it was seconded, the FC approves the minutes of January 22, 2014. The motion carried unanimously.
Vote: Mr. Quinn moved, and it was seconded, the FC approves the minutes of February 12, 2014. The motion carried unanimously.

The BOS took no action on the February 12, 2014 minutes. The minutes were held for review.

3. Town Administrator's Report

a. Procurement Violation - Mr. Andrews referenced a copy of a certified letter sent to Fannin Lehern regarding the Historic Restoration Project Chapter 30B Procurement Violation for work done on historic monuments and gravestones at the Wenham Cemetery. He summarized that procurement laws were not followed and the town is unable to pay the invoice (\$31,550.00).

Approved BOS/FC 3.7.14

Mr. Andrews has scheduled a workshop on following the Public Procurement Laws for Massachusetts for Town Boards, Committees, and Commissions on May 15, 2014.

The Town's Policy & Procedures has been updated to include an outline of the Public Procurement Laws, as recommended by the Auditors at Powers & Sullivan. This will be presented to the BOS for approval.

Mr. Andrews noted the Cemetery Commission has applied this year for Community Preservation funds to continue the headstone restoration; this is a separate situation going forward.

b. Reserve Fund Transfer Request - Chairman Lucy explained the Reserve Fund transfer request of \$10,000 is for a classification study of non-union personal to be done by an outside firm that specializes in regional studies. The first phase of the study would review library salaries as previously agreed between the Towns of Hamilton and Wenham and the Library. Hamilton will share the cost (proportionately) for the library study.

The second phase is a salary study for Wenham employees only. Mr. Andrews completed the job descriptions last year and the survey will compliment this report.

Vote: Mr. Ebling moved, and it was seconded, to approve the Reserve Fund transfer request of \$10,000 to the Town Hall Expense Account 01-160-5200-0000 for a classification study. The motion carried unanimously.

4. Snow & Ice Accounts

Mr. Andrew noted there were numerous storms this year and keeping the streets safe has depleted the Snow and Ice account. This includes labor, equipment, and supplies.

MGL Chapter 44 allows municipalities to make expenditures in a fiscal year in excess of available appropriations for snow and ice removal.

The BOS voted to approve this authorization at their meeting on 2.18.14.

Vote: Mr. Quinn moved, and it was seconded, in accordance with MGL Chapter 44; Section 31D to authorize the Town to exceed the appropriation in regards to Snow & Ice Account. The motion carried unanimously.

5. FY 2015 Budget Presentation

A. Assessors

Chairman Tom Tanous reviewed the Assessor's Budget saying the budget was impacted with the reorganizing of the department. Effective April 1, 2014, Chief Assessor Steve Gasperoni will reduce his hours to part-time. Both he and the secretary will be working 18 hours a week but during opposite schedules so the office will remain staffed during town hall hours. This reduced the budget by 25 percent.

This is a re-evaluation year. A complete evaluation of the Town will be in the FY 16 budget.

Steve Gasperoni was present to answer questions.

B. Town Clerk

Town Clerk Trudy Reid reviewed her budget, noting that the budget for Elections and Town Clerk has been combined. Ms. Reid referenced a 2012 salary survey of local Town Clerks, citing the salary for Wenham's Town Clerk is out of proportion and respectfully requested a market value increase to the salary of \$5,000 for an annual salary of \$50,000.

C. Buildings and Grounds

Director of Facilities, Mark Gates stated the FY 15 budget was level funded, noting this budget now includes the Clock Maintenance and the Contract with Johnson Controls.

Johnson Controls measures and verifies efficiencies of energy saving work done, and the cost savings. The FC questioned if the savings cover the cost of this contract.

It was noted that Buildings and Grounds Director's salary is shared with Hamilton.

Mr. Gates reviewed the Capital Requests in the budget including the updating of the Pingree Park Bathrooms to make them ADA compliant and Central Air Conditioning* for the Council on Aging and Fire Station meeting room.

* "Mr. Slim" wall mounted units will be used.

Mr. Gates was asked to provide the utility costs for the COA, Fire Station, Police Station, and Town Hall.

D. Iron Rail

Approved BOS/FC 3.7.14

Department of Public Works Director Bill Tyack talked about the Iron Rail Budget. He was joined by Iron rail Commissioner Ted Batchelder. The revenue (\$130,000) from the rental property goes into the Town's General Fund. The Capital Budget included new doors for Iron Rail Gymnastics and Wags.

Mr. Batchelder talked about the potential for the Iron Rail property, saying the building needs a total "face lift" e.g. hear, septic, roof.

Mr. Tyack recommended the Town decide what to do with the property/building to maintain and maximize the return to the Town. He suggested an evaluation of the building be done.

Mr. Quinn questioned if the Iron Rail should be an Enterprise Fund.

Chairman Whittaker suggested the Iron Rail property be analyzed at the same time as Bolder Lane.

Ms. Mansfield offered the suggestion that the Town look at a college that teaches city planning to have a student do a study for the potential of the property.

Mr. Wilson said that studies have been done on the Iron Rail property over the years and suggested that these be reviewed before going forward.

E. Historic District

Historic District Budget is level funded at \$200 for office supplies.

F. Technology

Andy Woods, Technology Director said this budget includes \$50,000 to upgrade the server and replace old computers/software and \$10,000 for software programs for each department.

Mr. Woods requested an increase in his fee, noting he has not had a raise since 2008.

G. Town Administrator

The Town Administrator's Budget is level funded at \$127,301 pending the Town Administrator's contract.

Town Moderator

The Town Moderator's budget is level funded at \$50.

Board of Selectmen

The Board of Selectmen's budget is level funded.

Finance Committee

The Finance Committee's budget is level funded at \$250.

The Reserve Fund will be funded at \$150,000 for FY15.

Town Hall Operations

The Town Hall budget included the \$10,000 for the Classification Study that was approved as a Reserve Fund Transfer earlier in the meeting. The FY 15 Budget was reduced by \$10,000 for a FY15 budget of \$117,731

This budget now includes the Wenham Band and Town Report.

H. Finance Department

Finance Director David Genereux reviewed the Finance Department Budgets:

Accountant Budget - \$56,650

The BOS requested a cost review comparison of hiring full time staff for the Finance Department Vs. Contract Services.

Audit Budget - \$24,000

There is no contract at this time with Powers and Sullivan. The budget is estimated.

Treasurer / Collector Budget - \$153,785

The Budget is up \$4,907 for an increase for one of the staff being promoted as the Assistant Treasurer; this is a Union Position.

Debt Service Budget - \$611,714

Approved BOS/FC 3.7.14

This budget is down by \$44,145, due to no new bonding for debt.

It was noted that the HWRSD/Tech School have added debt to their budgets; this debt is not included in this budget.

Essex Regional Retirement - \$516,203

This budget is up \$45,933. The Town saves \$15,000 with the early payment discount. The cost is determined by the number of active employees. This applies to employees that work more than 19 hours.

Employee Health Insurance - \$595,115

This budget is up \$11,340.

Employee Medicare - \$48,000

This budget includes a 1.5 percent increase and is up \$2,000

Ms. Mansfield left the meeting at 8:45 PM

Veteran's Benefit Line Assessment (in District)

This assessment is made according to the number of veteran's in the district.

General Insurance - \$113,900

This budget includes e.g. liability, casualty, property, and vehicle insurance. Excess credits not claimed previously by the Town of \$22,000; this will be applied to this budget.

Mr. Genereux confirmed that insurance costs were reviewed.

6. FY 2015 Budget Discussion

Chairman Lucy proposed that detailed discussion on the FY 15 Budget be deferred to the next meeting and it was the consensus to do so.

Chairman Lucy announced the School Committee approved an operating budget of \$7, 338,512 with debt exclusion of \$272,000.00. (Wenham's share only)

It was the recommendation of the Leadership Team to return surplus cash to the Towns (proportionately) of approximately \$1.5m.

7. Budget voting Methodology - Line Item Budgets vs. Departmental Budgets

It was the consensus of the Chairmen to open the meeting for discussion regarding the voting methodology at town meeting to get a sense of the meeting. Departmental budgets were presented at the 2013 ATM. There is a Citizen's Petition that the Town present a Line Item Budget.

The advantages and disadvantages to both methods was a part of the discussion. Although Departmental Budgets are flexible and efficient, the tradition of Line Item Budget allows taxpayers to participate in more detail with the Town's budget.

Although there were supporters of the Departmental Budget, it was the general consensus of the Selectmen and Finance Committee to present the budget at the 2014 ATM in line item form.

8. Other Matters, as may not have been reasonably anticipated by the Chair

9. Adjournment

Vote: Mr. Ebling moved to adjourn the FC meeting at 8:55 PM and it was unanimous to do so.

Vote: Mr. Wilson moved to adjourn the BOS meeting at 8:55 PM and it was unanimous to do so.

Respectfully submitted by

Catherine Tinsley

Approved BOS/FC 3.7.14
2.26.14